



State of North Carolina
Utilities Commission

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August 26, 2008

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The Honorable Kevin Martin, FCC Chairman
The Honorable Michael Copps, FCC Commissioner
The Honorable Jonathan Adelstein, FCC Commissioner
The Honorable Robert McDowell, FCC Commissioner
The Honorable Deborah Taylor Tate, FCC Commissioner

Federal Communications Commission
445 12th Street, SW
Portals II Building
Washington, DC 20544

Re: NOTICE OF WRITTEN EX PARTE CONTACT filed in the Proceedings
Captioned: In the Matter Of Petition of AT&T, Inc. For Forbearance
under 47 U.S.C. & 160(c) From Enforcement of Certain of the
Commission's ARMIS Reporting Requirements, WC Docket 07-139

Dear Commissioners:

On June 8, 2007, AT&T filed a petition for forbearance asking the FCC to eliminate two categories of ARMIS reports: Reports 43-05 and 43-06 (quality of service), and 43-07 and 43-08 (infrastructure investment).

I have reviewed AT&T's Petition for Forbearance from the FCC's ARMIS Service Quality and Infrastructure reporting requirements and I write to support the request. These reports served a valuable purpose in monitoring the performance of price cap ILECs during a period of transition from rate-of-return regulation to insure that regulatory freedom did not lead to declines in service quality. However, price caps have been in place for almost 20 years and the telecommunications marketplace does not in any way resemble that which was in place when ARMIS reporting began, due in great measure to the impact of competition.

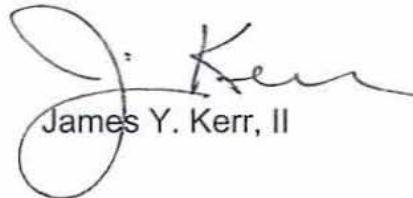
Certainly, it is still important today to collect relevant data in order to develop sound telecommunications policy. However, decisions based on information provided by only a small percentage of existing carriers will likely

lead to flawed policy. When data is needed for telecommunications policy decisions, it should be collected from all wireline carriers. It has been suggested that the FCC, "retool the Form 477 as necessary to obtain relevant infrastructure and operating information, including information on last-mile high capacity access facilities from all facilities-based competitors." The 477 report is currently received by the FCC from over 1000 wireline telecommunications carriers. If more detailed infrastructure or operational data is needed than currently provided through the 477 report, the FCC can--and should--expand the data requirements of the 477, perhaps through a rulemaking. In addition, State Commissions have the ability to require reporting relative to infrastructure or service quality from carriers that would be specific to the individual needs of their state.

By eliminating ARMIS reporting requirements, the Commission will reduce regulatory inefficiencies and refine its data gathering and monitoring process. This will provide regulators with a more accurate and complete picture of the infrastructure and operations of all wireline carriers, and will serve to improve the statistical support for sound policy decisions. I strongly recommend that the Commission take advantage of this opportunity.

If you have any questions about the foregoing, please do not hesitate to contact me at (919) 733-6064.

Respectfully submitted,



James Y. Kerr, II